

## Message Text

PAGE 01 STATE 121253

15

ORIGIN EB-07

INFO OCT-01 ISO-00 L-02 EUR-12 AID-05 CEA-01 CIAE-00

COME-00 EA-06 FRB-03 INR-07 IO-10 NEA-10 NSAE-00

OPIC-03 SP-02 TRSE-00 CIEP-01 LAB-04 SIL-01 OMB-01

DODE-00 DOTE-00 FMC-01 CG-00 OFA-01 DLOS-03 SS-15

NSC-05 /101 R

DRAFTED BY EB/TT/MA:JPSTEINMETZ:L/EB:FWILLIS:E

APPROVED BY EB/TT/MA:RKBANK

EUR/RPE:WCLARKE

TREAS/OII:JNISENSEN(SUBS )

FMC:WJSMITH (INFO)

COM/IEPR:EANTOUN (INFO)

MARAD:RBOURDON (INFO)

----- 047714

R 232016Z MAY 75

FM SECSTATE WASHDC

TO AMEMBASSY BONN

AMEMBASSY BRUSSELS

AMEMBASSY CANBERRA

AMEMBASSY MADRID

AMEMBASSY PARIS

AMEMBASSY TOKYO

INFO AMEMBASSY ANKARA

AMEMBASSY ATHENS

AMEMBASSY BERN

AMEMBASSY COPENHAGEN

AMEMBASSY DUBLIN

AMEMBASSY THE HAGUE

AMEMBASSY HELSINKI

AMEMBASSY LISBON

AMEMBASSY LONDON

AMEMBASSY LUXEMBOURG

AMEMBASSY OSLO

AMEMBASSY OTTAWA

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PAGE 02 STATE 121253

AMEMBASSY REYKJAVIK

AMEMBASSY ROME

AMEMBASSY STOCKHOLM

AMEMBASSY VIENNA  
AMEMBASSY WELLINGTON  
USMISSION EC BRUSSELS  
USMISSION OECD PARIS  
USMISSION USUN NEW YORK  
USMISSION GENEVA  
AMCONSUL HAMBURG

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E.O. 11652:N/A

TAGS: EWWT, EFIN, OECD

SUBJECT: REPRESENTATIONS ON UN CODE OF CONDUCT

REF: A) OECD PARIS 11977, B) OECD PARIS 11978  
C) OECD PARIS 12919

1. TEXT OF DIPLOMATIC NOTE ON OECD CODE OF LIBERALIZATION AND CODE OF CONDUCT CONVENTION TRANSMITTED BELOW FOR DELIVERY BY AMEMBASSIES BONN, BRUSSELS, CANBERRA, MADRID, PARIS, TOKYO AT APPROPRIATE LEVEL FOREIGN MINISTRY REPRESENTATIONS TO THESE HOST GOVERNMENTS WHICH VOTED FOR CODE OF CONDUCT CONVENTION PREMISED ON APPROACHING JUNE 30 DEADLINE FOR CODE OF CONDUCT SIGNATURE AS WELL AS THEIR STANCE ON COMPATIBILITY QUESTION. USG VIEWS AND CONCERNS EXPRESSED IN TEXT MAY BE REITERATED ORALLY DURING PRESENTATION OF NOTE, BACKGROUND INFORMATION ON CODE OF CONDUCT CONTAINED IN STATE A-5007 OF JUNE 19, 1974.

2. INFO EMBASSIES, AT THEIR DISCRETION, MAY PROVIDE HOST GOVERNMENT FOREIGN MINISTRY AND SHIPPING OFFICIALS WITH INFORMATIONAL COPY OF NOTE AND INFORM THEM OF ACTION BEING TAKEN WITH RESPECT TO OTHER GOVERNMENTS.

3. BEGIN TEXT (PARAGRAPHS INDICATED BY LETTERS).  
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PAGE 03 STATE 121253

A) THE QUESTION OF THE COMPATIBILITY OF THE UN CONVENTION ON A CODE OF CONDUCT FOR LINER CONFERENCES WITH THE OECD CODE OF LIBERALIZATION FOR INVISIBLES OPERATIONS IS CURRENTLY BEFORE THE COUNCIL OF THE OECD. THE GOVERNMENT OF THE UNITED STATES WOULD LIKE TO TAKE THIS OPPORTUNITY TO EMPHASIZE CERTAIN PROBLEMS WHICH ARE PRESENTED BY THE CODE OF CONDUCT WITH RESPECT TO OBLIGATIONS AGREED TO BY MEMBER STATES IN OECD.

B) THE GOVERNMENT OF THE UNITED STATES CONSIDERS THAT THE CODE OF CONDUCT FOR LINER CONFERENCES IS INCOMPATIBLE WITH THE OECD CODE OF LIBERALIZATION AND THE PROVISIONS

OF THE OECD CONVENTION ON WHICH IT IS BASED. THE LINER CODE MANDATES, INTER ALIA, A DISCRIMINATION AMONG VESSELS FOR THE RIGHT TO CARRY CARGO, BASED ON THE FLAG OF THE VESSEL. IT THEREBY CONSISTITUATES A RESTRICTION FOR SHIPPER AND CARRIER ALIKE, INHIBITING THE SHIPPER'S FREEDOM TO SELECT THE CARRIER OF HIS CHOICE AND THE CARRIER'S FREEDOM TO COMPETE IN OFFERING SERVICES. THE OECD CODE OF LIBERALIZATION, ON THE OTHER HAND, IS DESIGNED TO PROMOTE FREE AND UNRESTRICTED MOVEMENT OF GOODS. IT IS PREDICATED, IN PART, ON ARTICLE 2(D) OF THE OECD CONVENTION, WHEREIN MEMBER COUNTRIES AGREE THAT THEY WILL, BOTH INDIVIDUALLY AND JOINTLY, "PURSUE THEIR EFFORTS TO REDUCE OR ABOLISH OBSTACLES TO THE EXCHANGE OF GOODS AND SERVICES..." SUPPORT OF THE CODE OF CONDUCT IN ITS PRESENT FORM BY OECD MEMBERS WOULD HAVE A DETRIMENTAL EFFECT ON ECONOMIC COOPERATION WITH OECD, UNDERCUTTING THE ORGANIZATION'S OBJECTIVES TO PROMOTE THE EFFICIENT USE OF ECONOMIC RESOURCES AND THE EXPANSION OF WORLD TRADE ON A MULTILATERAL, NONDISCRIMINATORY BASIS.

C) THE GOVERNMENT OF THE UNITED STATES ALSO WISHES TO EMPHASIZE THE SYMBOLIC EFFECT SIGNATURE OF THE LINER CODE BY OECD MEMBERS COULD HAVE IN INFLUENCING OTHER COUNTRIES. THE MOMENTUM CREATED IN SUCH EVENT COULD PROMOTE THE ACCEPTANCE OF AN INTERNATIONAL INSTRUMENT WHICH STANDS CONTRARY TO THE FUNDAMENTAL POLICIES AND AIMS OF THE ORGANIZATION.

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PAGE 04 STATE 121253

D) THE GOVERNMENT OF THE UNITED STATES URGES THE GOVERNMENT OF (HOST GOVERNMENT) TO REVIEW ITS POSITION WITH RESPECT TO THE CODE OF CONDUCT FOR LINER CONFERENCES AND ITS OBLIGATIONS UNDER THE OECD CONVENTION AND THE CODE OF LIBERALIZATION WHILE THESE SUBJECTS ARE BEFORE THE OECD COUNCIL . END TEXT. INGERSOLL

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 26 AUG 1999  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** CARGO, MARINE TRANSPORTATION, MARITIME MEETINGS, STANDARDS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 23 MAY 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** CunninFX  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975STATE121253  
**Document Source:** ADS  
**Document Unique ID:** 00  
**Drafter:** EB/TT/MA:JPSTEINMETZ:L/EB:FWILLIS:E  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** n/a  
**Film Number:** D750183-0453  
**From:** STATE  
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**Legacy Key:** link1975/newtext/t197505103/baaaakql.tel  
**Line Count:** 150  
**Locator:** TEXT ON-LINE, TEXT ON MICROFILM  
**Office:** ORIGIN EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 3  
**Previous Channel Indicators:**  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** CunninFX  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 08 APR 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <08 APR 2003 by ShawDG>; APPROVED <16 SEP 2003 by CunninFX>  
**Review Markings:**

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**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** <DBA CORRECTED> jms 971014  
**Subject:** n/a  
**TAGS:** EFIN, EWWT, UN, OECD  
**To:** BONN  
BRUSSELS  
CANBERRA  
MADRID  
PARIS  
TOKYO INFO ANKARA

ATHENS  
BERN  
COPENHAGEN  
DUBLIN  
THE HAGUE  
HELSINKI  
LISBON  
LONDON  
LUXEMBOURG  
OSLO  
OTTAWA  
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**Type:** TE

**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006